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Employment Bulletin

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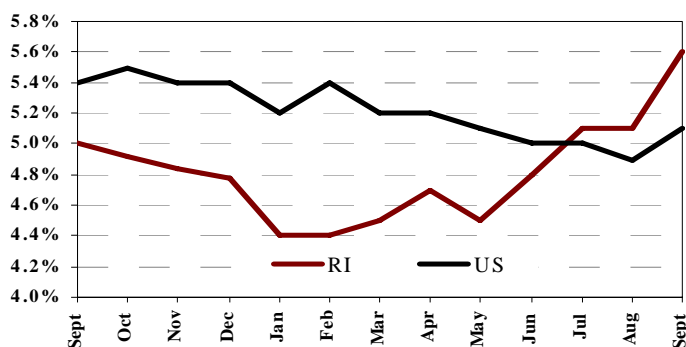
Rhode Island's Unemployment Rate Increases Over the Month

Rhode Island's seasonally adjusted unemployment rate for September was 5.6 percent, up 0.5 of a percentage point from the revised August rate of 5.1 percent. The number of unemployed residents rose by 3,200 over the month to 32,700 in September. A year ago, the jobless level was 28,100 and the unemployment rate stood at 5.0 percent.

Nationally, the unemployment rate for September climbed to 5.1 percent, reflecting an increase of 0.2 of a percentage point from August. Compared to a year ago, the national jobless rate declined 0.3 of a percentage point. Rhode Island's unemployment rate for September remained above the national average for the third straight month.

"Our unemployment rate has been trending upward mainly due to the continued expansion in our labor force, which reached a record high level in September," said DLT Director Adelita S. Orefice. "Compared to a year ago, Rhode Island's labor force has grown by more than 17,000 people. While Rhode Island businesses have added over 6,000 jobs in the past year, it has not been enough to absorb all of the new job seekers."

**RI & US Unemployment Rates
Seasonally Adjusted 2004 - 2005**



2006 Annual Refiling Survey Notice

The Labor Market Information (LMI) unit of the Rhode Island Department of Labor and Training (RIDLT) is responsible for assigning industry and geographic codes to new businesses that are covered by the Unemployment Insurance laws in Rhode Island.

Industries are classified through the North American Industry Classification System (NAICS). NAICS is an industry classification system that groups establishments into industries based on the activities in which they are primarily engaged. The NAICS code is assigned to all businesses, public or private.

Once assigned, NAICS makes it possible to determine current employment, wage trends and economic forecasts by industry. The NAICS code helps determine statistically how industries are growing or shrinking and how occupations within industries are emerging or declining.

Once a year, the LMI unit conducts an Annual Refiling Survey (ARS) of approximately one-third of all Rhode Island businesses. The purpose of the survey is to review and update previously assigned NAICS codes and to provide or verify the physical location of the business.

This month, the LMI unit will be conducting the first mailing for the 2006 ARS. If you receive our Industry Verification Form (BLS 3023), we would appreciate your cooperation in completing it. A high response rate is essential for accurate statistical data. Once the survey is completed, it is likely you will not be contacted for another three years.

If your business receives a form, you can now respond by telephone using the Touchtone Response System (TRS). If your company is TRS eligible, simply follow the instructions on the back of the cover letter. For those not eligible for TRS, a postage paid envelope is provided for a mailed return. Thank you for your assistance!

Seasonally Adjusted Labor Force Statistics (in thousands)

	Rhode Island			United States		
	Sep 05	Aug 05	Sep 04	Sep 05	Aug 05	Sep 04
Civilian Labor Force	579.3	573.6	561.9	150,093	149,841	147,531
Resident Employment	546.5	544.0	533.8	142,432	142,449	139,527
Unemployment	32.7	29.5	28.1	7,661	7,391	8,005
Unemployment Rate	5.6%	5.1%	5.0%	5.1%	4.9%	5.4%

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401-462-8740 or email
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Rhode Island Job Count Declines

The Rhode Island job count (seasonally adjusted) decreased in September, the second monthly employment decrease following ten successive months of increased employment. Businesses in the state reported a decline of 500 jobs, bringing the September job count to 495,100 (seasonally adjusted). Over-the-month employment losses were reflected in Manufacturing (-300), Government (-300), Financial Activities (-200), Professional & Business Services (-200), and Trade, Transportation & Utilities (-100). Educational & Health Services (+900) experienced a monthly gain. Construction and Leisure & Hospitality each remained even over the month.

Although employment experienced a slight drop in September, non-farm employment in the state is up by 4,000 (+0.8%) jobs since January 2005. During this nine-month period, the Educational & Health Services (+2,600), Leisure & Hospitality (+1,400), Construction (+600), and Professional & Business Services (+500) sectors reported the largest employment gains, while job losses were noted in Manufacturing (-1,800).

Employment was up 6,100 (+1.2%) from the 489,000 jobs reported in September 2004. The largest employment growth noted during this period occurred in the Educational & Health Services (+3,400), Leisure & Hospitality (+2,000), Professional & Business Services (+1,500) and Financial Activities (+1,100) sectors, offsetting over-the-year losses in Manufacturing (-2,100), Trade, Transportation & Utilities (-600), and Government (-400).

Establishment Employment in Rhode Island Seasonally Adjusted

	Employment (in thousands)		Net Change
	Sept 05	Aug 05	
Total Nonfarm	495.1	495.6	-0.5
Construction	21.4	21.4	0.0
Manufacturing	54.5	54.8	-0.3
Trade, Transportation & Utilities	78.9	79.0	-0.1
Financial Activities	35.3	35.5	-0.2
Professional & Business Services	55.4	55.6	-0.2
Educational & Health Services	96.8	95.9	0.9
Leisure and Hospitality	52.2	52.2	0.0
Government	65.6	65.9	-0.3

Hours and Earnings

In September 2005, the \$13.20 average hourly wage earned by the Manufacturing sector's production workers represented a monthly gain of five cents per hour and an over-the-year gain of twenty-one cents per hour. Manufacturing employees worked an average of 39.3 hours per week in September, up one hour over the month and down 0.3 of an hour since September 2004.

Manufacturing Employment in Rhode Island Not Seasonally Adjusted

	Employment					Production Worker Averages					
	(in thousands)		Net Change From:			Weekly Hours			Hourly Earnings		
	Sept 05	Aug 05	Sept 04	Aug 05	Sept 04	Sept 05	Aug 05	Sept 04	Sept 05	Aug 05	Sept 04
Manufacturing	54.9	54.9	57.2	0	-2300	39.3	38.3	39.6	13.20	13.15	12.99
Durable Goods	36.5	36.5	37.6	0	-1100	39.4	38.5	39.9	13.15	13.09	12.99
Fabricated Metal Product Mfg.	7.5	7.5	7.9	0	-400	39.0	39.2	38.9	11.70	11.65	11.73
Computer & Electronic Product Mfg.	4.7	4.8	5.2	-100	-500	40.1	39.4	37.9	14.14	14.09	13.90
Miscellaneous Manufacturing	10.2	10.2	10.8	0	-600	37.5	36.5	38.5	11.00	10.95	10.83
Jewelry and Silverware	7.4	7.4	7.8	0	-400	38.0	37.0	39.2	10.17	10.12	10.16
Non-Durable Goods	18.4	18.4	19.6	0	-1200	39.0	38.0	39.2	13.30	13.25	13.00
Chemical Manufacturing	4.1	4.1	4.3	0	-200	41.7	40.7	40.8	15.55	15.61	15.30
Plastics & Rubber Products Mfg.	3.0	2.9	3.0	100	0	40.3	40.5	41.8	14.76	14.70	14.62

The employment figures in the "Rhode Island Job Count Declines" section are derived from a survey of businesses in Rhode Island and measure the number of jobs in the state. Unadjusted total nonfarm employment data is available at: www.dlt.ri.gov/lmi/ces.htm. Current month's figures are preliminary and subject to change.

Task Force Conducts Comprehensive Review of Rhode Island's Temporary Disability Insurance Program

The Rhode Island Department of Labor and Training's (DLT) Temporary Disability Insurance (TDI) program has not undergone a review in two decades, while other income support programs of the DLT such as Unemployment Insurance and Workers' Compensation, have been more recently reviewed, yielding positive improvements in the efficiency and effectiveness of these important programs. As a vital program for Rhode Island workers, a review of TDI was in order.

In 2004, a Task Force was initiated for the purpose of reviewing TDI, identifying its strengths and weaknesses and exploring possible opportunities for improvement. The Task Force included the main constituents of the TDI program – representatives of labor, employers, the medical community, the Rhode Island legislature, the Governor's office and the leadership and staff of DLT.

As part of the review, a comprehensive, independent research project was initiated in early 2004 with the Schmidt Labor Research Center at the University of Rhode Island (URI). The research analyzed ten years of TDI data (1993-2002) and included a data sample of over 600,000 claims. The focus of the study was to identify trends in key areas of the program – customer population, frequency of use, most common diagnoses, and claim duration, and to compare Rhode Island's TDI program with similar programs in other states.

In 1942, Rhode Island became the first state to enact a compulsory TDI Program. Today, RI is just one of five states that offers this protection to its workers.

Some key findings of the URI Study

Individual Usage

During the ten-year study, between 8 and 9 percent of the workers covered by TDI filed a claim during the year. Of those filing claims, 80 percent filed just one claim during the year, while 20 percent filed two or more claims. At any given point during the study years, just 2 to 3 percent of Rhode Island workers covered by TDI were out of work due to a non-work related disability.

Duration of Claims

In recent years the average claim duration has ranged from 9.9 to 10.6 weeks with the most common durations being two, three and six weeks. About ten percent of the claims filed have durations of twenty weeks or longer. Samples of Rhode Island TDI claim durations for various disabilities were compared to the Reed Group's Medical Disability Advisor (MDA), a public medical reference with recommended duration for over 10,000 diagnoses and procedures. The study determined that in some cases there was a wide variation between the MDA guidelines and the actual TDI claim durations. In a number of cases, the TDI durations exceed the MDA guidelines. The reasons for this were not clear, but the researchers and the Task Force agreed that it warranted further study.

Characteristics of TDI Customers

	Men	Women
Percent of Customers	38%	62%
Average Age	43	41
Average Weekly Benefit	\$304	\$250
Average Duration of Initial Medical (weeks)	3.5	4.0

Based on the findings and recommendations of the URI researchers, the Task Force agreed that while the Rhode Island TDI program is an effective safety net and a model program, there are some opportunities for improvement. TDI has already taken action on some of the recommendations of the research study. Legislation allowing the payment of partial TDI benefits upon partial return to work has been signed into law and becomes effective January 1, 2006. In addition, two registered nurses are now working in the recently established TDI Claims Management Unit.

For copies of the entire TDI Task Force Report please contact TDI at (401) 462-8420 or email at tdi@dlt.state.ri.us or visit the TDI website at www.dlt.ri.gov/tdi.

Consumer Price Index for All Urban Consumers

	% Change		
	Sept 05	Aug 05	Sept 04
	Prev. Year		
All Items	198.8	196.4	189.9
			4.7%

Source: U.S. Dept. of Labor, Bureau of Labor Statistics

2005 Rhode Island Job Vacancy Survey

This year's job vacancy survey results indicate that an estimated 12,114 job vacancies existed throughout Rhode Island's private sector between May and June 2005. This translates to a job vacancy rate of 3.0%, or three job openings for every one hundred jobs filled.

The strongest demand for workers was measured in Health Care & Social Assistance – its 4.7 percent vacancy rate and 3,334 vacancies topped all industry sectors, accounting for nearly 28% of all estimated job openings in the Ocean State. The Accommodation & Food Services and Arts, Entertainment & Recreation sectors also reported above-average job vacancy rates due, in part, to Rhode Island's many hotels, restaurants, and recreational establishments increasing staff levels to meet summer demand.

Job vacancies were reported in over 300 occupations, with the most estimated vacancies primarily concentrated in Health Care & Social Assistance industries, including Registered Nurses (962), Nursing Aides, Orderlies & Attendants (630), and Personal & Home Care Aides (539). Other occupations with a significant number of vacancies such as Waiters & Waitresses (374), Maids & Housekeeping Cleaners (339), and Restaurant Cooks (275) were tied to seasonal demands in the Accommodation & Food Services sector.

For more detailed job vacancy data by industry and occupation, visit www.dlt.ri.gov/lmi/jvs.htm.

Rhode Island Career Anchor

The *Rhode Island Career Anchor* is a 60-page magazine format publication for high school students and adults who are planning their careers. It provides a description of the steps in career planning (know yourself, be informed, make a plan, put your plan into action) and provides references to additional computer and print resources.

To download this publication, visit www.dlt.ri.gov/crn/anchor.htm.

City & Town Unadjusted Unemployment Rates for September

	2005	2004		2005	2004
Barrington	4.4	3.4	Newport	4.6	3.4
Bristol	4.8	3.8	North Kingstown	3.9	3.2
Burrillville	4.5	4.0	North Providence	5.4	4.4
Central Falls	7.9	6.2	North Smithfield	4.1	3.8
Charlestown	4.5	3.5	Pawtucket	6.5	5.3
Coventry	5.3	3.9	Portsmouth	4.1	3.4
Cranston	5.8	4.6	Providence	7.2	5.6
Cumberland	4.7	3.9	Richmond	3.3	2.6
East Greenwich	5.4	3.9	Scituate	5.1	4.1
East Providence	5.6	4.8	Smithfield	5.0	3.6
Exeter	4.4	3.8	South Kingstown	4.6	3.4
Foster	5.3	4.6	Tiverton	5.0	4.0
Glocester	4.5	3.1	Warren	5.4	4.2
Hopkinton	4.9	3.8	Warwick	5.0	4.2
Jamestown	3.7	2.6	West Greenwich	4.2	4.3
Johnston	5.4	4.9	West Warwick	6.0	4.9
Lincoln	4.6	3.9	Westerly	3.7	3.5
Little Compton	5.0	2.9	Woonsocket	6.0	5.0
Middletown	4.0	3.4			
Narragansett	3.6	2.8	State of R.I.	5.4	4.4
New Shoreham	3.2	2.7	United States	4.8	5.1

Rhode Island Licensed Occupations

Need to know the educational requirements to become an accountant in Rhode Island? The Rhode Island Licensed Occupations web site provides job descriptions, educational and personal requirements, fee information, and agency contacts for over 100 licensed occupations in Rhode Island.

To view these occupations, visit www.dlt.ri.gov/lmi/jobseeker/license.htm.

*Happy
Thanksgiving!*

Unemployment Insurance Claims Activity

	Sept 2005	Aug 2005	Sept 2004	% Change		Year to Date		
				Aug 05	Sept 04	2005	2004	% Change
Initial Claims	3,870	4,786	4,360	-19.1%	-11.2%	56,436	59,929	-5.8%
Number of Payments	35,934	57,252	39,560	-37.2%	-9.2%	483,934	515,321	-6.1%
Amount of Payments (gross millions)	\$11.8	\$17.7	\$12.7	-33.3%	-7.1%	\$157.6	\$161.4	-2.4%
Exhaustions (Final Payments)	945	1,288	1,123	-26.6%	-15.9%	11,553	12,566	-8.1%

Helping RI Employers Avoid Layoffs

Preserving RI Jobs *A Win-Win Program for Employers and Employees*

Rhode Island's Department of Labor and Training (DLT) is able to offer employers an alternative to layoffs during a temporary slowdown in business.

WorkSharing allows you to keep employees on the payroll by having all of the workers in a department or unit share reduced work hours and collect a percentage of Unemployment Insurance (UI) benefits for up to 52 weeks.



WORKSHARING BENEFITS

- Workers keep their job and maintain economic security.
- Employers retain skilled and trained workers.
- Workers continue to receive company benefits.
- Employers avoid the time and expense of training new employees.
- Workers maintain employment skills and remain available for advancement opportunities.
- Employers avoid disruption in business operations and can respond quickly as business improves.

FOR MORE INFORMATION CONTACT THE WORKSHARE UNIT AT
(401)-243-9177 OR VISIT OUR WEBSITE AT
www.dlt.ri.gov